Economics project A:

The Apple Ipad was announced official on January 27, 2010, and was released on April 2010. It’s price is determined mainly by the demand of Ipads.

Firstly, the Ipad has attractive functions that consumers would enjoy. It can not only access to the internet, games can also be downloaded to play, substituting traditional laptops that people have been using for years. In addition, working people can have easy access to daily news and book reading via the newest ‘shiny new iBooks application’ (which attracted 37% of survey respondents), making Ipad more applicable in their working lives. Opportunity cost is also involved when a decision is made between and Ipad and laptop. Opportunity cost is the highest-valued alternative that has to be sacrificed when an option is chosen. This is because with a fixed amount of money, consumers would choose to buy an Ipad instead of a laptop as it is installed with more functions and higher portability compared to that of a laptop, hence making laptops the opportunity cost of Ipads. These then added to the demand of Ipads, determining the price.

Apple’s Iphone and Ipodtouch are associated with the Ipad. Though the Ipad was released 3 years later than the Iphone, it was researched that the Iphone had it’s origins in a rough prototype for the Ipad. Being under the same company, they have similar functions, eg. Touch screen.